

S34105-2
2/27/89

MAINE DEPARTMENT OF
LABOR
20 Union Street Augusta, Maine 04330
(207) 289-2271

BUREAU OF EMPLOYMENT SECURITY
Division of Economic Analysis and Research

LABOR MARKET DIGEST

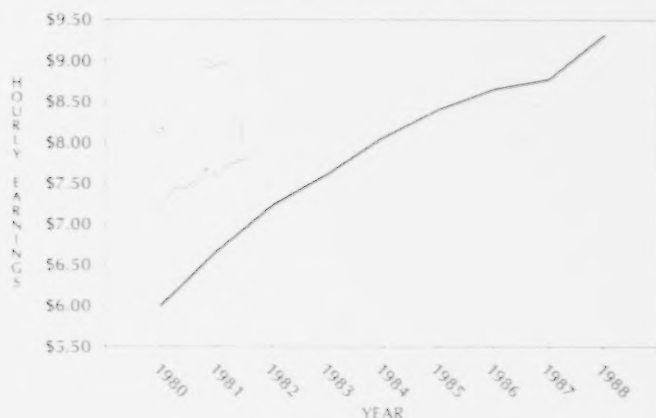
April 1989

The Labor Market Information Newsletter on Maine Economic Activity

Maine's Production Workers Record Strong Wage Growth

Increases in the average hourly earnings of production workers on manufacturing payrolls in Maine averaged 6.2 percent in 1988. This gain was greater than increases recorded by all other New England states and outpaced the rise in prices of 4.1 percent as measured by the Consumer Price Index for Urban Wage Earners.

AVERAGE HOURLY EARNINGS OF PRODUCTION
WORKERS ON MANUFACTURING PAYROLLS
MAINE, 1980 TO 1988



Nationally, increases in pay for production workers averaged 2.6 percent, well below the 6.2 percent growth recorded by Maine's production workers.

Maine also outpaced the other New England states with the greatest absolute hourly gain, up 54 cents to a 1988 average of \$9.31. Maine thus moved in one year from recording the smallest gain in New England to the largest.

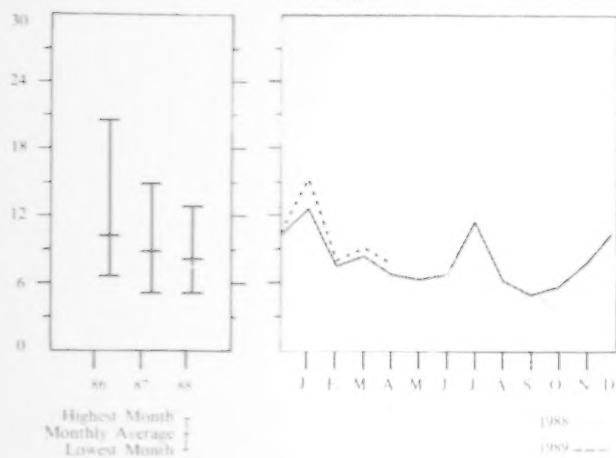
Between 1980 and 1988 all New England states have shown improvements in production worker wages relative to the nation.

In real terms, taking inflation into account, Maine's average hourly earnings for production workers increased by 8.1 percent between 1980 and 1988. For that same time period, the U.S. average pay for production workers decreased by 2.6 percent.

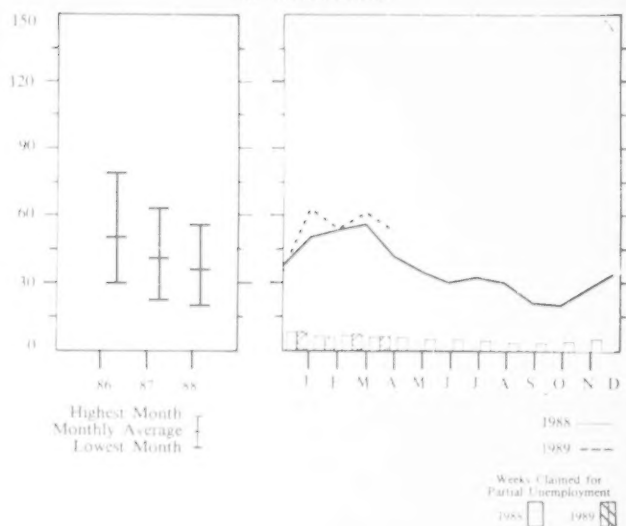
See related charts on page 2



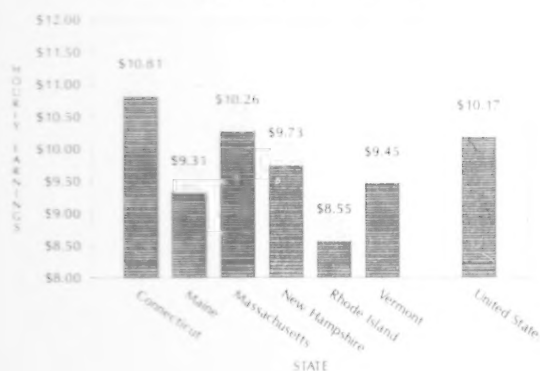
UI Initial Claims in Thousands



UI Intrastate Weeks Claimed in Thousands

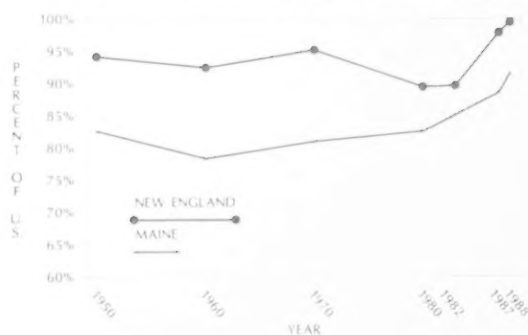


AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS ON MANUFACTURING PAYROLLS IN THE SIX NEW ENGLAND STATES AND THE U.S., 1988



Average hourly earnings of Maine manufacturing production workers in 1988 were exceeded by earnings in all of the other New England states with the exception of Rhode Island.

AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS ON MANUFACTURING PAYROLLS AS A PERCENT OF U.S. FOR MAINE AND NEW ENGLAND, 1950 TO 1988



As of 1988 average hourly earnings of production workers in Maine manufacturing industries were 91.5 percent of the U.S. average, \$9.31 compared to \$10.17. During the last eight years, the growth of Maine wages relative to U.S. wages has been particularly substantial as Maine wages increased from 82.5 percent to 91.5 percent of the U.S. average.



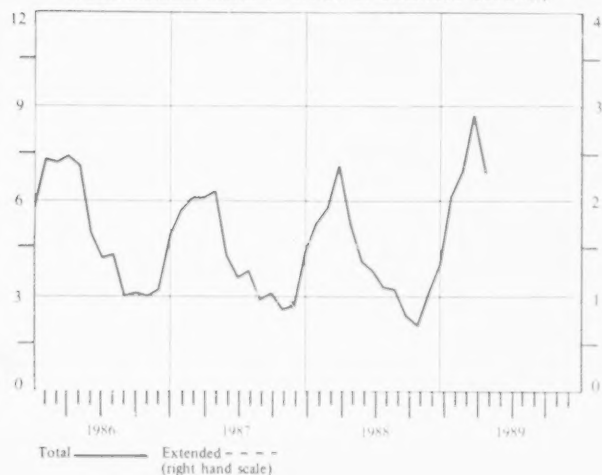
Selected Employment Security Activities



UI Benefit Payments

in Millions

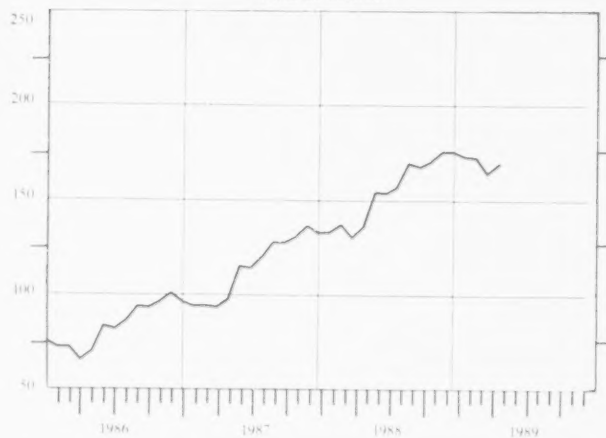
(Total Includes Maine's Portion of Extended Benefits)



Unemployment Compensation

Fund Balance in Millions

(End of Month)



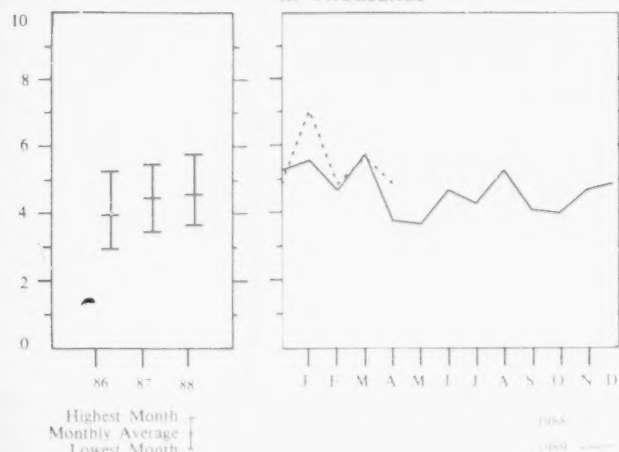
Nonfarm Wage and Salary Employment by Place of Work

in Thousands

ITEM	STATEWIDE			PORTLAND MSA			LEWISTON-AUBURN MSA		
	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago
Total Nonfarm Wage and Salary Employment 1	518.0	515.6	510.1	131.1	129.2	126.6	40.7	40.5	40.5
Total Manufacturing	106.2	107.5	105.4	17.5	17.5	17.2	10.0	10.0	10.6
Durable Goods	49.7	50.4	48.1	8.4	8.4	8.4	2.9	2.9	3.0
Lumber and Wood Products	11.8	12.8	11.8	0.7	0.7	0.7	0.6	0.6	0.6
Primary and Fabricated Metals	3.7	3.7	3.4	0.5	0.5	0.5	0.8	0.8	0.8
Industrial Machinery and Equipment	4.4	4.4	4.5	1.9	1.8	2.1	0.6	0.6	0.2
Electronic and Other Electric Equipment	10.5	10.4	10.8	3.5	3.6	3.5	0.3	0.3	0.8
Transportation Equipment 2	14.4	14.2	12.7	(d)	(d)	(d)	0.2	0.2	0.2
Other Durable Goods 3	4.9	4.9	4.9	1.8	1.8	1.6	0.4	0.4	0.4
Nondurable Goods	56.5	57.1	57.3	9.1	9.1	8.8	7.1	7.1	7.6
Food and Kindred Products	6.7	6.9	6.9	1.8	1.8	2.0	0.8	0.8	0.8
Textile Mill Products	6.4	6.4	6.5	(d)	(d)	(d)	1.1	1.1	1.1
Apparel and Other Textile Products	3.0	3.1	3.1	0.2	0.2	0.2	0.1	0.1	0.1
Paper and Allied Products	17.7	17.8	17.6	(d)	(d)	(d)	0.5	0.5	0.5
Printing and Publishing	5.5	5.6	5.5	1.7	1.8	1.7	0.7	0.7	0.7
Rubber and Misc. Plastic Products	3.7	3.8	3.9	0.3	0.3	0.2	1.7	1.7	2.0
Leather and Leather Products	12.4	12.4	12.6	1.3	1.3	1.4	2.1	2.1	2.3
Footwear (except Rubber)	10.5	10.5	10.7	n/a	n/a	n/a	1.9	1.9	1.9
Other Nondurable Goods 4	1.1	1.1	1.2	3.8	3.7	3.3	0.1	0.1	0.1
Total Nonmanufacturing	411.8	408.1	404.7	113.6	111.7	109.4	30.7	30.5	29.9
Construction and Mining	32.0	30.5	31.6	8.7	8.3	8.8	2.2	2.1	2.2
Building Construction	10.4	10.3	11.3	2.6	2.5	2.6	0.6	0.6	0.6
Special Trades Contractor	15.3	14.8	14.8	4.6	4.6	4.8	1.4	1.4	1.4
Transportation and Public Utilities	21.4	21.0	20.5	5.1	5.0	5.5	1.4	1.4	1.4
Wholesale Trade	25.8	25.7	24.5	10.5	10.4	10.0	2.1	2.1	2.0
Retail Trade	98.3	96.9	99.7	28.5	28.1	27.1	8.1	8.1	7.7
Food Stores	17.8	17.6	18.5	4.3	4.3	4.2	1.4	1.4	1.4
Eating and Drinking Places	30.7	28.6	30.2	8.1	7.7	7.8	2.4	2.4	2.2
Finance, Insurance and Real Estate	25.4	25.5	25.2	11.9	11.7	12.1	2.3	2.3	2.2
Banking	8.8	8.9	8.6	3.2	3.0	3.3	1.1	0.9	1.0
Insurance Carriers, Brokers and Agents	10.2	10.2	10.0	5.8	5.7	5.2	0.7	0.7	0.7
Services	113.7	113.0	110.2	31.9	31.1	30.0	10.5	10.4	10.4
Hotels and Other Lodging Places	6.4	6.2	7.0	1.6	1.4	1.6	0.2	0.2	0.2
Business Services	14.3	14.0	12.9	4.7	4.9	4.4	1.0	1.1	0.9
Health Services	42.4	42.3	41.2	10.1	10.1	10.1	4.3	4.1	4.3
Federal Government	19.1	18.9	18.5	2.2	2.2	2.0	0.3	0.3	0.3
State and Local Government 5	76.1	76.6	74.5	14.8	14.9	13.9	3.8	3.8	3.7
Involved in Labor Management Disputes	0.0	0.0	1.6	0.0	0.0	0.2	0.0	0.0	0.0

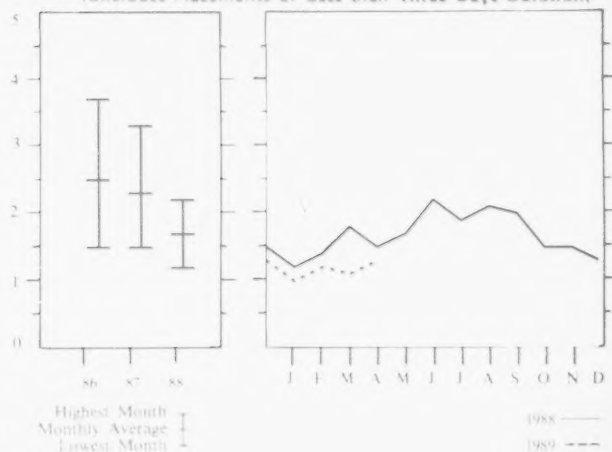
1. Employment figures include full and part-time wage and salaried workers in nonfarm establishments. They do not include unpaid family workers or workers in agriculture. 2. Data are preliminary and subject to revision. 3. Data are preliminary and subject to revision. 4. Data are preliminary and subject to revision. 5. Data are preliminary and subject to revision.

New Applications For Work in Thousands



Nonfarm Placements

in Thousands
(Excludes Placements of Less than Three Days Duration)



Earnings and Workweek of Production Workers in Manufacturing Industries

AREA AND INDUSTRY	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS			ANNUAL AVERAGE HOURLY EARNINGS		
	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	1988	1987	1986
STATEWIDE												
Manufacturing	\$389.54	\$385.76	\$375.24	40.2	40.1	41.1	\$9.69	\$9.62	\$9.13	\$9.31	\$8.77	\$8.65
Durable Goods	377.61	378.80	373.67	40.3	40.6	43.0	9.37	9.33	8.69	9.00	8.32	8.52
Lumber and Wood Products	338.58	354.97	319.58	40.5	40.2	40.3	8.36	8.83	7.93	8.60	7.82	7.74
Primary and Fabricated Metals	396.63	402.12	385.44	42.9	43.9	43.9	9.25	9.16	8.78	8.79	8.94	8.58
Industrial Machinery and Equipment	474.19	485.43	447.44	44.4	46.1	48.9	10.68	10.53	9.15	9.49	9.20	9.62
Electronic and Other Electric Equipment	323.25	325.08	344.03	37.5	38.2	41.4	8.62	8.51	8.31	8.51	8.03	7.94
Other Durable Goods	408.24	396.73	390.44	40.5	40.4	43.0	10.08	9.82	9.08	9.31	8.60	9.41
Nondurable Goods	399.60	393.03	375.71	40.0	39.7	39.3	9.99	9.90	9.56	9.60	9.18	8.76
Food and Kindred Products	301.06	291.98	263.49	38.4	37.1	35.8	7.84	7.87	7.36	7.30	7.16	7.00
Textile Mill Products	316.41	327.89	300.92	39.8	41.4	40.5	7.95	7.92	7.43	7.66	7.35	7.04
Apparel and Other Textile Products	248.61	242.48	223.30	36.4	36.3	35.9	6.83	6.68	6.22	6.43	5.92	5.73
Paper and Allied Products	626.40	617.48	607.50	44.3	43.7	43.3	14.14	14.13	14.03	13.93	13.43	12.70
Leather and Leather Products	260.19	258.17	242.72	37.6	37.8	37.0	6.92	6.83	6.56	6.59	6.34	6.05
Other Nondurable Goods	343.07	326.14	326.42	37.7	36.4	38.0	9.10	8.96	8.59	8.62	8.28	8.00
PORTLAND MSA												
Manufacturing	404.71	413.83	380.55	39.6	40.1	40.7	10.22	10.32	9.35	9.58	9.13	9.17
LEWISTON-AUBURN MSA												
Manufacturing	317.91	318.80	317.95	39.2	39.8	40.4	8.11	8.01	7.87	8.08	7.40	7.19

Female Labor Force in Maine in Thousands

ITEM	This Month	Last Month	Year Ago
Labor Force	279.0	277.6	271.2
Unemployed	11.0	12.4	9.9
(Percent)	3.9%	4.5%	3.6%
Resident Employed	268.0	265.2	261.3

U.S. Consumer Price Index

BASE PERIOD	This Month	Last Month	Year Ago	Last Dec
(1982-1984 = 100) All Items (CPI-U)	123.1	122.3	117.1	120.5
Percent Change for Past Month			+0.7%	
Percent Change from Last December			+2.2%	
Percent Change from 12 Months Ago			+5.1%	

in Thousands

54

Maine Nonfarm Wage and Salary Employment by Place of Work

In Thousands

ITEM	1988 1st Quarter	Previous Quarter	Year Ago	Net Change to Current Quarter From	
				Previous Quarter	Year Ago
Total Nonfarm Wage and Salary Employment	535.5	530.3	500.7	+5.2	+34.8
Long Manufacturing	108.3	107.1	106.9	+1.2	+1.4
Durable Goods	51.2	52.8	49.1	-1.6	+2.1
Furniture and Wood Products	13.3	13.8	13.5	-0.5	+0.2
Primary and Lumber and Mill	3.7	3.6	3.4	+0.1	+0.3
Industries, Machinery and Equipment	4.4	4.7	4.6	-0.3	+0.2
Electronics and Other Electric Equipment	10.8	11.2	10.9	-0.4	+0.3
Transportation Equipment	14.2	14.0	12.2	+0.2	+1.9
Other Durable Goods	4.9	5.3	4.7	-0.4	+0.2
Non-durable Goods	57.1	57.5	57.8	-0.4	-0.7
Food and Kindred Products	7.1	7.4	7.3	-0.3	+0.2
Textile Mill Products	8.3	8.0	8.6	+0.3	-0.6
Apparel and Other Textile Products	3.0	3.1	3.2	-0.1	-0.2
Paper and Allied Products	17.8	17.8	17.8	0.0	+0.2
Printing and Publishing	3.7	3.6	3.6	+0.1	+0.1
Rubber and Misc. Plastic Products	3.8	3.8	3.9	0.0	-0.1
Leather and Leather Products	12.3	12.4	12.4	-0.1	+0.2
Tobacco, except Pipes	10.5	10.7	10.7	-0.2	+0.2
Other Nondurable Goods	3.1	3.2	3.0	-0.1	+0.1
Total Nonmanufacturing	407.2	420.4	393.8	-13.2	+13.4
Construction and Mining	31.1	30.0	28.8	+1.1	+2.3
Building Construction	19.7	19.4	19.0	+0.3	+0.7
Nonbuilding Construction	11.4	10.6	9.8	+0.8	+1.6
Transportation and Public Utilities	21.0	21.3	20.7	-0.3	+0.3
Wholesale Trade	25.8	25.3	24.1	+0.5	+1.7
Retail Trade	97.8	103.8	96.4	-6.0	+1.4
Food Service	18.0	18.3	17.3	-0.3	+0.7
Lodging and Drinking Places	28.3	29.4	27.3	-1.1	+1.0
Finance, Insurance and Real Estate	25.5	25.5	24.9	0.0	+0.6
Health	8.9	8.9	8.5	0.0	+0.4
Services, except Public, Business and Agriculture	10.2	10.1	10.1	+0.1	+0.1
Health and Other Voluntary Service	112.8	113.3	107.2	-0.5	+5.6
Health Services	8.0	7.8	8.8	+0.2	-0.8
Health Services	13.6	13.6	12.9	0.0	+0.7
Health Services	41.5	41.5	41.1	0.0	+0.4
Educational Services	18.8	18.8	18.4	0.0	+0.4
Social and Local Government	75.0	76.2	73.5	-1.2	+1.5
Social and Local Government	5.0	5.0	5.0	0.0	0.0

-6-

This Report is published quarterly by the Bureau of Economic Analysis, Department of Commerce, and is available to the public. It is published by the Bureau of Economic Analysis, Department of Commerce, and is available to the public. It is published by the Bureau of Economic Analysis, Department of Commerce, and is available to the public.

LABOR

BUREAU OF EMPLOYMENT SECURITY

Department of Economic Development and Research

April 1989



POSTAGE AND FEES PAID
EMPLOYMENT SECURITY
AS 228

MAINE
JOB
SERVICE

6



Unemployment Insurance Quality Control

The Maine Department of Labor operates a Quality Control Program which audits the payment of unemployment compensation benefits to determine the accuracy of those payments. Each week eight payments are randomly selected as an audit sample, and approximately 20 hours are devoted to reviewing every aspect of a single payment. The investigators interview the claimant and his or her last employer, audit all payroll records which affect the claim, verify documentation relative to issues such as pension receipt and dependency allowance, and conduct in-person interviews with each employer that the claimant listed as a work search contact.

The vast majority of benefit overpayments was related to work search issues. The Employment Security Law requires that an individual be actively seeking work to qualify for unemployment compensation, and claimants list their work search contacts on their weekly claim forms. An overpayment is established by the Quality Control Unit when an investigator determines that the individual did not make an adequate search for work, did not contact one or more of the employers listed, or did not contact them during the week being audited. During CY1988, 60 percent of the work search related overpayments involved fraud, and these accounted for nearly all of the fraud determinations made by the Quality Control Unit.

Summary of Quality Control Investigations, CY1988

ITEM	NUMBER OF PAYMENTS	DOLLARS PAID	ITEM	PERCENTAGE OF DOLLARS	95% CONFIDENCE INTERVAL(+/-)
Population	369,726	\$48,222,382	Proper Payments	80.8%	3.8%
Sample	445	58,407	Overpayments	19.2	3.8
			Underpayments	0.8	0.5